











National Solar Legislation and Its Potential Effects on Municipalities

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Overview











- The Current Solar Incentives
- The Washington Update
 - ITC Extension (H.B. 3221)
 - Effects on Municipalities













Current Solar Incentives



Current Incentives



Solar Prices Could be Coming Dowr



Typical 4.4kW system8000 kWh per year\$29,852 – without incentives

-\$1,174 – Sales Tax Exemption

-\$1,000 - State Tax Credit

-\$2,000 - Federal Tax Credit

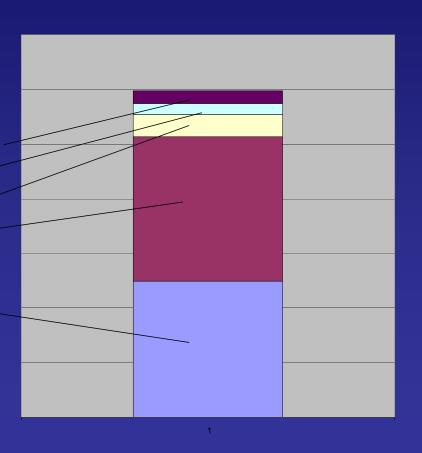
-\$13,200 – utility incentive



\$12,478 After incentives almost **60% off!!!**



















The Washington Update













- Cantwell/Ensign (\$5.8 billion)
 - 8 year ITC extension
 - Elimination of residential cap
 - AMT relief
 - Elimination of the utility exception
 - No "payfors"













• 8 Year ITC Extension

 Solidifies Municipalities' Reliance on Power Purchase Agreements (PPA) for large-scale installations





























- Lifting of \$2000 residential cap
 - Will promote larger residential solar systems
 - Economies of scale
 - Average system size in Phoenix Area 7.5 kW
 - Residential lease model
 - Permitting Issues for municipalities

























- Proliferation of utility owned systems
 - California Edison Model
 - Centralized Generation























Passage of Cantwell/Ensign / ITC is of Vital Importance to the Industry



Source: SunPower















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